

November 15, 1978

Interstate Commerce Commission
Room 1227
1210 Constitution Avenue, N.W.
Washington, D.C. 20423

985749857-A
No. 8-324A046
RECORDATION NO. Filed 1425 Date NOV 20 1978
NOV 20 1978 - 3 10 PM Fee \$20.00

Attn: Ms. Mildred Lee

INTERSTATE COMMERCE COMMISSION
ICC Washington, D. C

Dear Sirs:

Please find enclosed duplicate originals of a Security Agreement and a Conditional Assignment and Agreement with regard to four XM Boxcars.

The names and addresses of the parties are set out below:

Debtor/Assignor: Ronald G. Chism
510 Alta Gate Road
Louisville, Kentucky 40206

Secured Party/Lender Citizens Fidelity Bank & Trust Company
500 West Jefferson Street
Louisville, Kentucky 40202

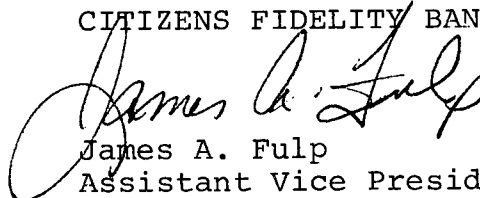
The equipment which serves as collateral for the financing hereinabove described consists of four XM Boxcars. The identifying numbers with regard to said boxcars are as follows: VTR-11107, VTR-11218, VTR-11231 and VTR-11298.

The foregoing boxcars are manufactured by Pullman Standard.

It is hereby respectfully requested that the enclosed documents be accepted for recordation by your office. The original documents and all correspondence concerning the enclosed documents should be sent to Don C. Graeter, Attorney at Law, 2800 Citizens Plaza, Louisville, Kentucky 40202.

Very truly yours,

CITIZENS FIDELITY BANK & TRUST COMPANY


James A. Fulp
Assistant Vice President

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INTERSTATE COMMERCE COMMISSION

CONDITIONAL ASSIGNMENT AND AGREEMENT

THIS CONDITIONAL ASSIGNMENT AND AGREEMENT made and entered into this 2^D day of November, 1978, by and between RONALD G. CHISM (hereinafter referred to as "Borrower"), and CITIZENS FIDELITY BANK & TRUST COMPANY (hereinafter referred to as "Lender").

W I T N E S S E T H :

WHEREAS, Borrower is the owner of railroad XM boxcars bearing numbers VTR-11107, VTR-11218, VTR-11231 and VTR-11298;

WHEREAS, Lender is the holder of a Security Interest in the aforesaid cars from Borrower to Lender securing a promissory note in the total principal sum of One Hundred Forty Thousand Dollars (\$140,000); and

WHEREAS, said security interest is evidenced by a Security Agreement between the parties bearing even date herewith; and

WHEREAS, Lender, as a condition to making the aforesaid loan and as additional security therefor, has required an assignment of all management agreements, and/or operation and maintenance agreements hereafter placed thereon and of all rents, issues and profits derived or derivable from said cars, and has further required the agreements and undertakings of the Borrower hereinafter set forth.

NOW, THEREFORE, for value received and in consideration of the Lender making the aforesaid loan unto the Borrower, the receipt and sufficiency of which are hereby acknowledged, the Borrower does hereby assign, transfer and set over unto the Lender, as additional security for the aforesaid loan, all of his right, title and interest in and to all management agreements, and/or operation and maintenance

agreements which may hereafter be placed thereon, including, but not by way of limitation, the right to receive and collect all rents, income, revenues, issues, profits, moneys and/or securities payable or receivable under said management agreements, and operation and maintenance agreements or any of the provisions thereof, together with all other rents, issues and profits derived or derivable from said cars.

In furtherance of the foregoing assignment, the Borrower hereby authorizes the Lender, upon and in the event of default in any of the payments or in the performance of any of the terms, covenants and conditions set forth in the aforesaid promissory note and/or Security Agreement at its option, to collect, by its officers, agents or employees, in the name of the Borrower, or in its own name as assignee, the rents, incomes, revenues, issues, profits, moneys and/or securities accrued but unpaid at the date of such default, as well as any rents, incomes, revenues, issues, profits, moneys and/or securities thereafter accruing and becoming payable during the period of said or any other default. Upon electing to exercise the rights herein granted, the Lender may make reasonable effort to collect the rents, incomes, revenues, issues, profits, moneys and/or securities, reserving, however, within its own discretion, the right to determine the method of collection and the extent to which enforcement of collection of delinquent rents, incomes, revenues, issues, profits, moneys and/or securities shall be prosecuted, but it shall not be accountable for more funds than it actually receives and shall not be liable for failure to collect said rents, incomes, revenues, issues, profits, moneys and/or securities.

The Lender shall, after payment of all proper charges and expenses, credit the net amount received from

the exercise of any power herein granted, to any amounts due or owing to it by Borrower under the terms of the aforesaid note and/or Security Agreement, but the manner of application of such net amount and the items which shall be credited shall be within the sole discretion of the Lender.

It is a condition of this assignment that the same shall not be effective so long as the Borrower is not in default in the payment of principal and interest as same shall become due and payable upon the aforesaid promissory note from Borrower to Lender; provided, however, that in the event of such default, this assignment shall be effective and shall be enforceable without further notice to Borrower. The Borrower by these presents does hereby authorize and direct any operator or lessee of said cars, upon receipt of notice in writing from the Lender of an act of default by the Borrower under the aforesaid promissory note and/or Security Agreement, to pay to the Lender all rents, incomes, revenues, issues, profits, moneys and/or securities then due or thereafter to become due under the terms of any management agreement, and/or operating agreement and/or lease.

The Borrower hereby warrants that he is the owner of said cars and that the same is not in any way encumbered and that he has not executed any prior assignment or pledge of the rents, incomes, issues, profits, moneys and/or securities of the cars and further covenants and agrees that has not performed any act or executed any agreement which might prevent Lender from operating under any of the terms and conditions of this instrument, or which would limit the Lender in such operation. Nothing in this instrument shall abridge, postpone or otherwise affect the rights and remedies of the Lender under the laws of this state, but to the contrary all such rights and remedies may be pursued by the

Lender at any and all times as fully and as completely as if this instrument had not been executed. The rights and powers herein granted, conveyed and assigned are continuing rights, and the exercise of same upon the occasion of one default shall not abrogate or diminish the rights and powers of the Lender hereunder upon the occasion of any subsequent default or defaults. The failure to exercise said rights and powers upon the occasion of any default shall not constitute a waiver of the right of the Lender to exercise the powers and privileges herein granted upon the occasion of a subsequent default. The collection and application of the rents, incomes, revenues, issues, profits, moneys and/or securities to the indebtedness, or as otherwise provided herein, shall not constitute a waiver of any default which might at any time of the application or thereafter exist under the note or Security Agreement and the payment of the indebtedness covered by the note may be accelerated in accordance with its terms and notwithstanding such application.

This instrument shall not be revoked without the written consent of the Lender and shall remain in full force and effect as long as the aforesaid loan from Lender to the Borrower remains unpaid in whole or in part. A full and complete release of the aforesaid Security Interest shall operate as a full and complete release of the Lender's rights hereunder, and after said Security Interest has been fully released, this instrument shall become void and of no further effect. Whenever "Borrower," "Lender" or "he" occurs in this instrument, or is referred to, the same shall be construed as singular or plural, masculine, feminine or neuter, as the case may be, and shall include the heirs, executors, administrators, successors or assigns of either as though originally herein written.

IN WITNESS WHEREOF, the Borrower has hereunto
executed this Assignment as of the day and year hereinabove
first written.

Ronald G. Chism
RONALD G. CHISM

STATE OF KENTUCKY)
 : SS
COUNTY OF JEFFERSON)

On this 2nd day of Novmember, 1978, before me
personally appeared RONALD G. CHISM to me known to be the
person described in and who executed the foregoing instrument
and he acknowledged that he executed the same as his free
act and deed.

Flurence Baldsmith
Notary Public

My commission expires: July 21, 1979.